

Appendix A

Levelling Up Background and Rationale

We have been working with Melton BC as we are in the same geography for Levelling Up to look at how we might link our approach together and this evidence base spans both areas – setting out a distinctive picture for Rutland but showing the links to Melton. In addition to the working of this group a wider Melton/Rutland dialogue has been initiated.

Distinctive Characteristics

Rutland's Demography

Rutland has a very high store of older people¹, making it an excellent place for the development of medi-tech to support longer term independent living and better health outcomes for the older population.

Rutland has a rapidly growing stock of over 65s which is rising from a high base compared to regional and national figures as indicated in the table below. This puts pressure on services and creates pinch points in the market for services such as adult domiciliary care. Evidence from other settings suggests that places with an unbalanced mix of age bands are at higher risk of becoming socially and economically unsustainable, creating significant health and care costs and needing to import labour to service their local business needs.

65+	2020	2031	2041
Rutland	26	30	33
E Midlands	20	23	25
England	19	22	24

Economic Inactivity in Rutland

Rutland has high levels of economic inactivity² at 26.8% of all 16-64 year olds compared to an East Midlands regional figure of 20.8% and a GB figure of 21.3%. A significant proportion of those who are economically inactive are students 35.8% compared to regional figures of 24.8% and GB figures of 27.3%. These figures are based on place of residence and it is a fair assumption that a high proportion of these students are studying outside of the district and at risk of being lost to the economic capacity of the area. These high levels of economic inactivity also indicate a significant proportion of 16 – 64 year olds with health challenges.

Additionally, the same source above indicates a stark inequality in the number of people in employment residing in Rutland when broken down by Sex. 79.0% of male residents were in employment compared to 62.0% of females aged 16-64 yrs. When comparing to England, male residents have similar employment levels at 78.5%. However, for females, the 62.0% of Rutland residents in employment is significantly worse than 71.8% for England. There are a few possibilities for why this inequality may

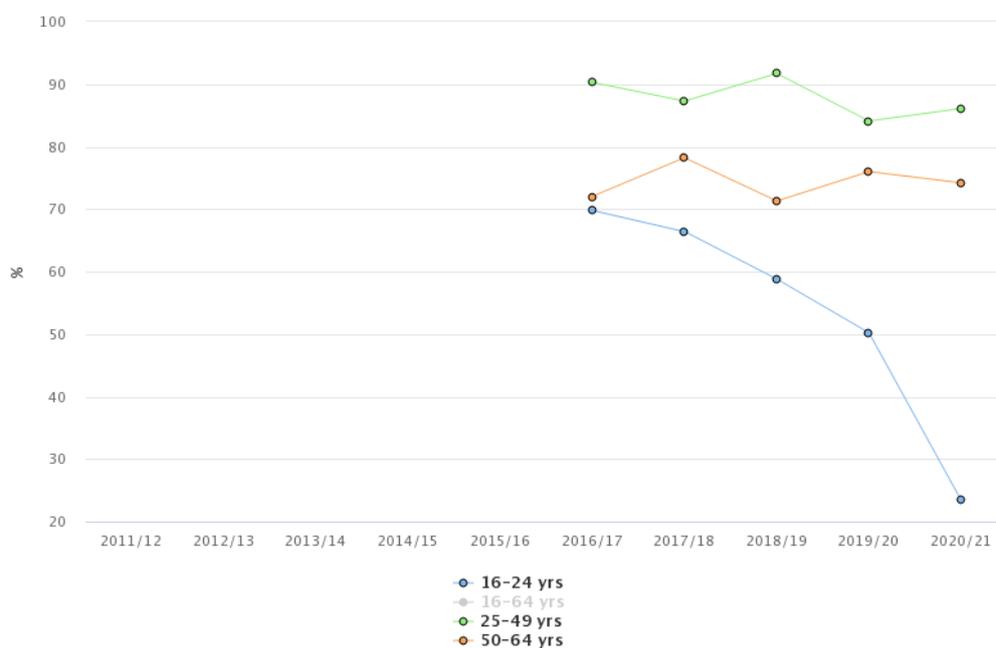
¹ ONS Population estimates and projections 2020

² ONS Annual Population Survey – 2020-21

exist and locally we are keen to ensure females have equitable access to good work opportunities.

It is worth also noting trends in employment across Rutland. Looking at Sex, males and females have been on a steady decreasing trend for the last four time series, starting in 2017/18. Over the same trend period, England has only seen a decrease in one time period, 2020/21, which will likely have been impacted by the Covid-19 pandemic. Looking at age, residents living in Rutland aged 25-64 yrs have stayed similar over the last four time series. However, residents aged 16-24 yrs in employment has been declining (starting before the pandemic), demonstrated in the figure below³.

B08d – Percentage of people in employment for Rutland



Food and Melton

For every job⁴ in food production and processing, in terms of the national average there are 9 in Melton, using the following three categories to calculate the location quotient for the borough as set out below:

	number	number
01 : Crop and animal production, hunting and related service activities	550	159,000
10 : Manufacture of food products	3,250	316,000
11 : Manufacture of beverages	75	32,500
Total	3,875	507,500

³ Office for Health Improvement & Disparities, Fingertips

⁴ Business Register and Employment Survey 2020

Location quotient: (local sector jobs/all local jobs)/(national sector jobs/all national jobs) (3875/21415)/(507500/25805500) = 9.2

Wider Economic Profile

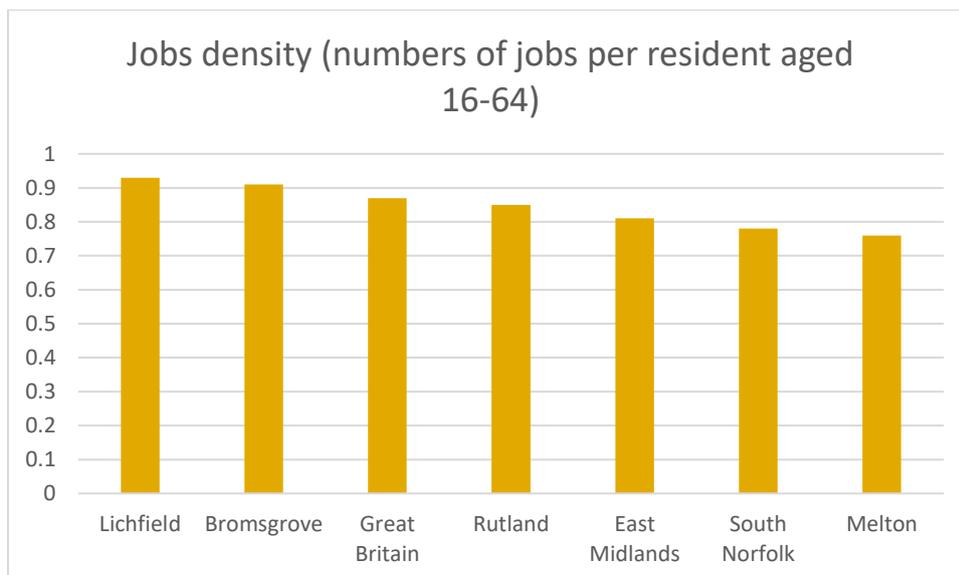
Social Mobility

Rutland and Melton both score very low on social mobility. They have historically been in the worst 10% performing local authority areas in England.⁵

Job Density

Melton and Rutland both have a low job density (the ratio of jobs to the 16-64 population)⁶. The table below shows their relative positions within their Cipfa audit family group:

Area	Jobs density (numbers of jobs per resident aged 16-64)
Lichfield	0.93
Bromsgrove	0.91
Great Britain	0.87
Rutland	0.85
East Midlands	0.81
South Norfolk	0.78
Melton	0.76



Earnings

⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/496103/Social_Mobility_Index.pdf

⁶ Nomis local area profiles: <https://www.nomisweb.co.uk/>

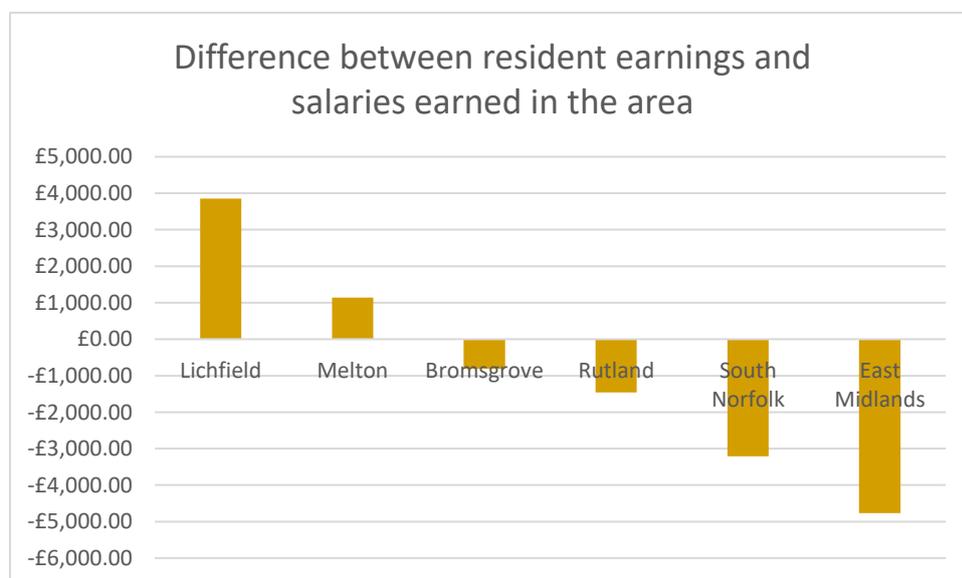
There is scope to work together to drive up wages. In both places the wages offered by local jobs⁷:

- Rutland - £598 per week
- Melton - £455 per week

are significantly lower than the national average: £613 per week

In Rutland there is a major gap between what people who live locally but work externally are paid compared to people who live and work in the area. In Melton local wages are higher than those earned by Melton residents elsewhere but this serves (in view of the low value of local wages) to emphasise the low earning potential of the wider economic hinterland for Melton residents. Comparisons within the Cipfa audit family group are set out below:

	Resident Gross Annual Pay	Gross Annual Pay of those who work in the Area	Difference between resident earnings and salaries earned in the area
Rutland	£34,040.00	£32,577.00	-£1,463.00
Bromsgrove	£34,295.00	£33,479.00	-£816.00
Melton	£26,254.00	£27,398.00	£1,144.00
Lichfield	£33,283.00	£37,138.00	£3,855.00
South Norfolk	£33,133.00	£29,926.00	-£3,207.00
East Midlands	£34,198.00	£29,430.00	-£4,768.00



Additionally, when looking at full time employees living in Rutland there is a significant pay gap between male and females, outlined in the table below⁸. Males in full-time

⁷ Annual Survey of Hours and Earnings – Earnings by Place of Work 2021

⁸ ONS, Earnings & hours worked, place of resident by Local Authority, 2021.

employment have significantly higher weekly salaries compared to females. Females also have lower salaries than regional and national comparisons.

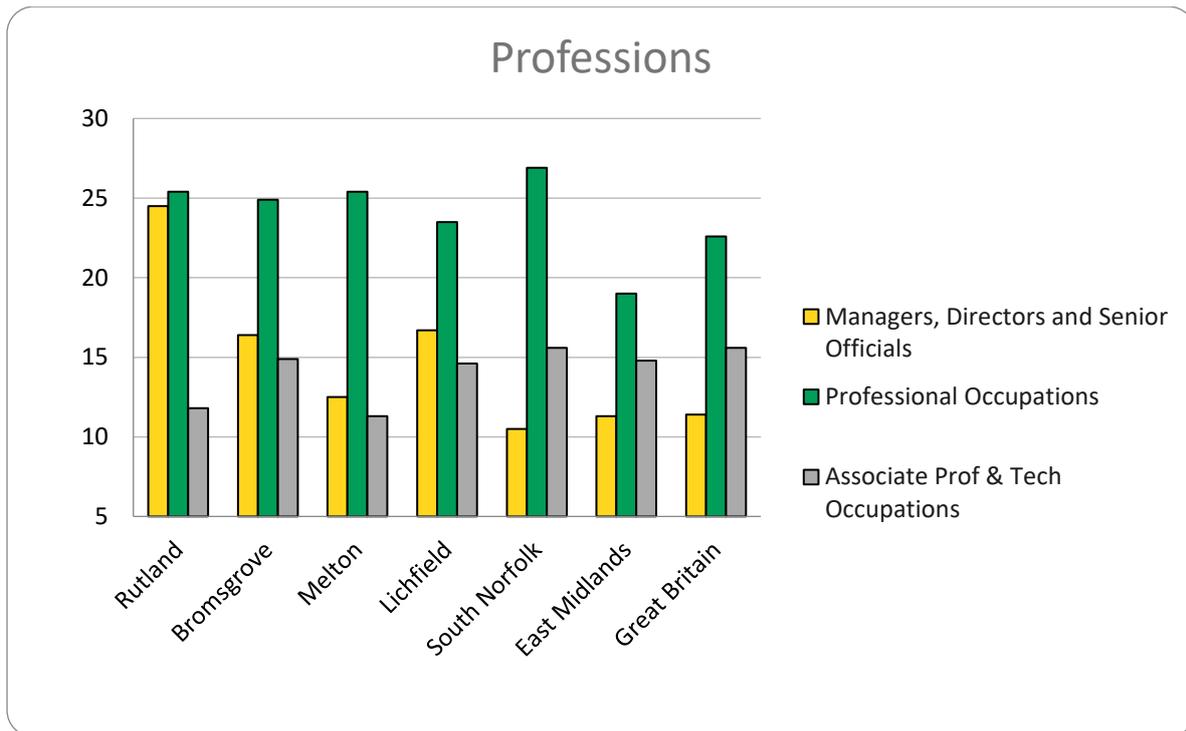
Gross weekly pay	Rutland (pounds)	East Midlands (pounds)	Great Britain (pounds)
Full time workers	710.4	573.4	613.1
Male full-time workers	796.1	613.4	655.5
Female full-time workers	501.6	508.0	558.1

Skills of the Workforce

Both areas have a good proportion of higher skilled workers⁹, more of whom could be retained to the value of the local economy through the creation of more high quality local jobs:

	% all in employment who are managers, directors and senior officials	% all in employment who are professional occupations	% all in employment who are associate prof & tech occupations
Rutland	24.5	25.4	11.8
Bromsgrove	16.4	24.9	14.9
Melton	12.5	25.4	11.3
Lichfield	16.7	23.5	14.6
South Norfolk	10.5	26.9	15.6
East Midlands	11.3	19	14.8
Great Britain	11.4	22.6	15.6

⁹ ONS Annual Household Survey 2020-21



Productivity

GVA per head in Rutland in 2019 was £39,301, in Melton it was £52,517, the England average is £53,386¹⁰

Commuting

The most comprehensive statistics¹¹ relating to commuting are from the 2011 census so come with a health warning in terms of their currency, however in our experience working patterns on this scale change very gradually over time. Rutland has a strong commuting relationship with South Kesteven and Melton. Whilst retaining a significant proportion of its workforce, over 1000 workers per day travel to Melton and over 2,000 to South Kesteven (Stamford area). Taken together commuters to these districts represent over 3,000 workers from a worker base of 23,500 workers (ONS Population Estimates 2020). Just over 1700 individuals travel from Melton and South Kesteven to work in Rutland. Commuting to other proximate districts is set out in the table below:

Live	Work						
	Corby	East Northants	Harborough	Leicester	Melton	Rutland	South Kesteven
Corby	18,120	761	370	154	26	372	47
East Northamptonshire	1,115	12,593	110	88	15	179	340

¹⁰ Nominal (smoothed) GVA (B) per filled job (£); Local Authority District, 2002 – 2019 ONS

¹¹ 2011 Origin and Destination Statistics Census

Harborough	637	103	13,159	6,397	184	298	56
Leicester	284	32	3,737	78,479	984	229	67
Melton	55	8	229	1,802	10,770	1,036	801
Rutland	450	178	209	640	484	7,378	1,244
South Kesteven	213	399	49	197	894	2,301	30,494

Connectivity

Underlying indicators from the 2019 English Indices of Deprivation barriers to services domain¹² demonstrate the connectivity challenges for the area.

Area	Road distance to a post office indicator (km)	Road distance to a primary school indicator (km)	Road distance to a general store or supermarket indicator (km)	Road distance to a GP surgery indicator (km)
Rutland/Melton Average	1.346	1.277	1.575	2.859
England Average	1.119	0.855	0.709	1.303
Additional distance R/M	0.227	0.422	0.865	1.556

To support the data above, engagement with the local communities of Rutland consistently demonstrate travel and connectivity issues for health, care and local support activities. Most recently it was a key finding of the Healthwatch Rutland report 'What Matters to You', with residents strongly voicing a need for improvements in the area.¹³

Enterprise

Both settlements have a reasonable level of enterprises per capita¹⁴ to build on. We have shown comparisons with the Cipfa audit family group below:

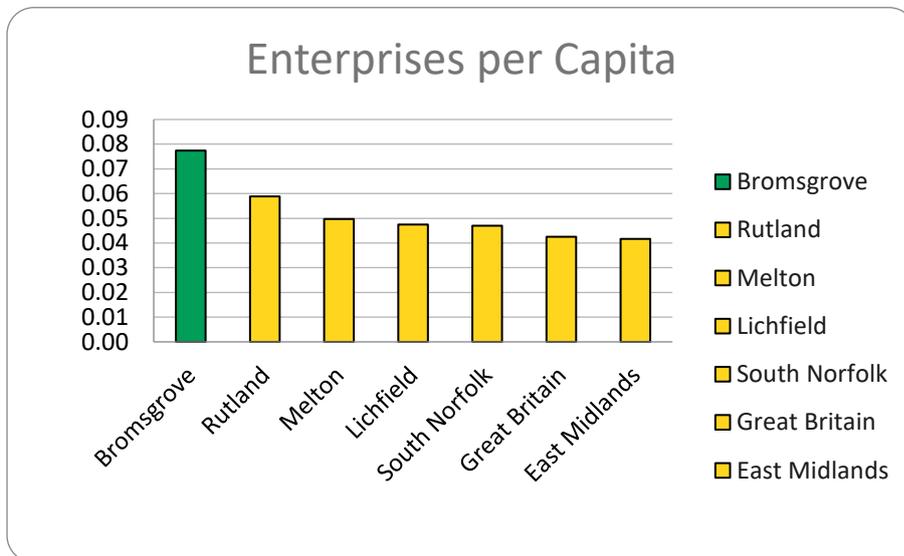
	UK Business Counts - Enterprises	2011 Population	Per Capita Enterprises
Bromsgrove	7,250	93,637	0.08
Rutland	2,200	37,369	0.06
Melton	2,505	50,376	0.05
Lichfield	4,780	100,654	0.05

¹² English Indices of Deprivation 2019, File 8 Underlying indicators, Barriers to Services

¹³ Healthwatch Rutland, What Matters to You? Our report on what people in the county want from Place-based Health and Care, 2021

¹⁴ ONS Business Demography 2020/21

South Norfolk	5,830	124,012	0.05
Great Britain	2,688,450	63,200,000	0.04
East Midlands	188,925	4,533,222	0.04



This demonstrates the enterprise potential of both areas in terms of levelling up.

Competitiveness

The 2021 Competitiveness Index developed by Professor Rob Huggins¹⁵ and his team at the University Cardiff identifies both local authority areas as being in the bottom 50% of all local authority areas with Rutland at 199 and Melton at 201 out of 362 areas across the UK. Melton also experienced a prodigious fall from 2019 by 44 places in the index. The overall report identifies poor transport connections as one substantial material factor in the competitiveness of places. “Localities such as South Somerset with weaker road or rail connections have seen larger drops in their ranking.”

Health inequality

The above outlines insight into the economic, social and environmental determinants of health and the existence of local inequality requiring action. We outlined inequality in employment and earnings for females compared to males when looking at Sex. There are also similar trends looking at healthy life expectancy (HLE) in females. Female HLE in Rutland has consistently been approximately 5 years higher than the England average. This began to change around 2013, when female HLE began a steady decline up to 2019 and it has now dropped below the England average¹⁶.

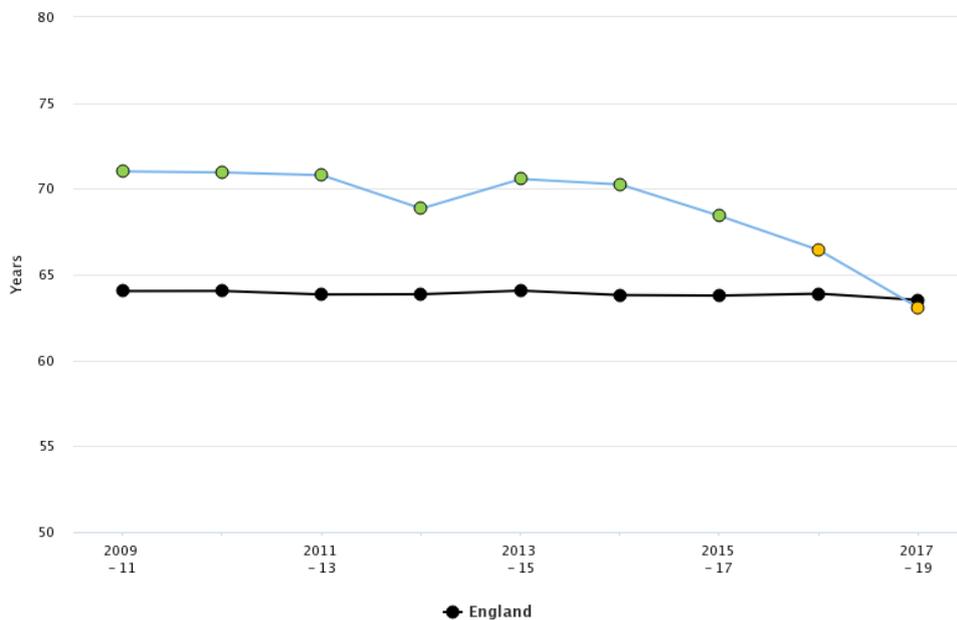
The figure below shows this decline at the same time England female HLE stayed at a constant level around 64 yrs. The rate of decline in Rutland shows no signs of

¹⁵ UK Competitiveness Report, University of Cardiff 2021

¹⁶ Office for Health Improvement & Disparities, Fingertips

slowing yet. Possible contributing factors to the decline could be resulting from the inequality data presented above for female employment and earnings in Rutland.

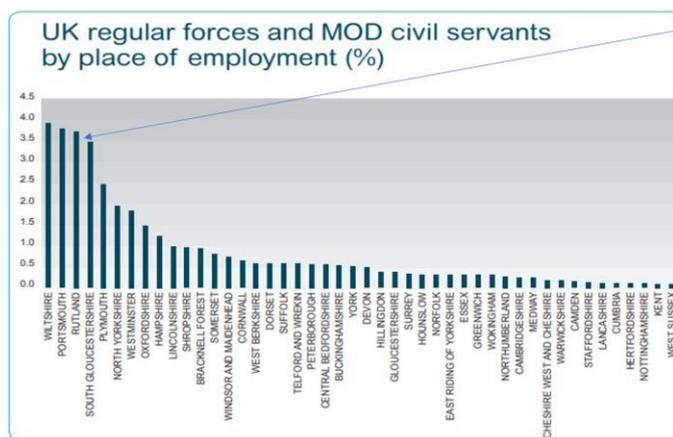
A01a – Healthy life expectancy at birth (Female) for Rutland



Veterans

Rutland has a disproportionately high stock of armed forces veterans:

Local Context: Regular and Current Service Personnel



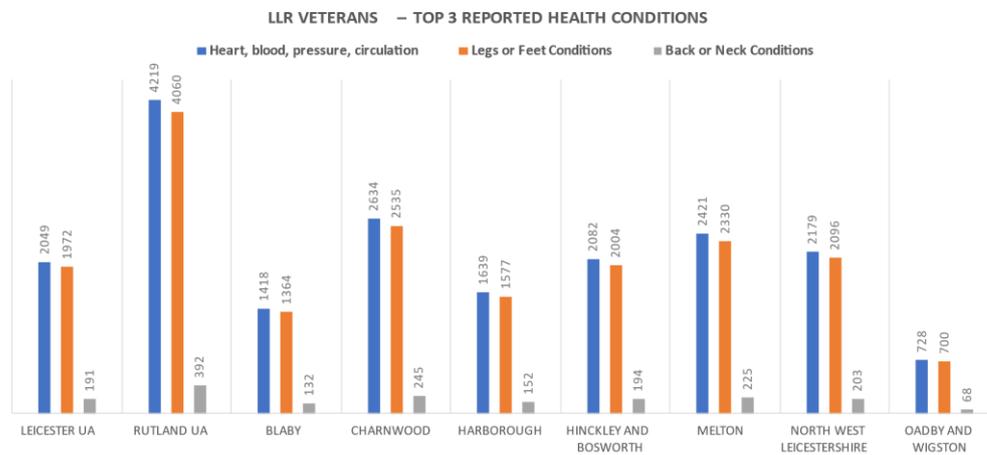
Defence Public Health Unit (2015) UK Regular Forces and MOD civil servants by place of employment as percentage of unitary authority/local authority area population (as at 1 July 2015).

*Ministry of Defence, G&A and Public Health: Meeting the public health needs of the armed forces 2017

- Rutland has 3rd highest UK Regular Forces and MOD civil servants by place of employment (3.7% of area population)
- Leicestershire County has the highest MOD Civilian personnel population in LLR (360)
- Charnwood has the highest Civilian MOD personnel population of all lower tier LA in LLR

The scale of health challenges facing veterans is significant

Local Context: Estimated Prevalence of Top 3 Long Term Conditions in LLR Veterans



*Ministry of Defence: Annual Population Survey: UK Armed Forces Veterans residing in Great Britain, 2016

Female Veterans Identified a Number of key challenges

Female Veteran's health and wellbeing

Post service health and wellbeing outcomes:

Health conditions	Mental Health	Access to services	Finances, employment & housing	Social relationships
<ul style="list-style-type: none"> Most of the gender differences reported in the physical health of veterans reflects gender differences seen in the general population. However, female veterans are more likely to report headaches, fatigue, digestive issues, and less likely to report acute MI, non-melanoma skin cancer, alcoholic liver disease and substance misuse than male veterans. 	<ul style="list-style-type: none"> Research indicates ex servicewomen are at a lower risk of self-harm/suicide than male veterans, but at a higher risk of common mental health disorders. Compared to civilian women, female veterans are at increased risk of posttraumatic stress disorder (PTSD) and suicide/suicidal thoughts. 	<ul style="list-style-type: none"> UK research suggests that whilst female veterans are more likely to access formal medical support, they are less likely to access informal sources of support in comparison to male veterans. SMEs suggests that a lack of uptake of informal support in women appears to be related to both the male-dominated nature of many veteran support organisations and a lack of awareness of female-only support networks. 	<ul style="list-style-type: none"> US research indicates that female veterans are at increased risk of homelessness compared to civilian women. Female veterans in the UK are more likely to be unemployed, but less likely to claim unemployment benefits compared to male veterans. UK research and SMEs suggest that barriers to employment for female veterans include poor mental health, finding suitable employment, inability to recognise and articulate transferable skills to civilian employers. 	<ul style="list-style-type: none"> Limited research suggests that female veterans are more likely to be divorced than men, with additional strain associated with dual-serving partnerships. SMEs reported difficulties associated with readjusting to family life following discharge, and this was seen to be particularly challenging for single female veterans with children.

Item 3: Emerging Themes

Rationale

The economic review above shows that Melton and Rutland have strong interconnections, both in terms of commuting but also in terms of a shared economic narrative.

They have low wages, low productivity and low job density. They do have high levels of skills (with significant out commuting of higher skilled residents) and good levels of

enterprise formation. There are also indications females have lower employment levels, earnings and a decreasing healthy life expectancy in Rutland.

These features point to a level of disadvantage, which accounts for their social mobility rankings, which involves it being harder to live and work in the area than it is to live there and work somewhere else.

The levelling up challenge in these areas is to grow the stock of high quality local jobs, driven by enterprise and the growth of higher level skills to make the settlements more economically sustainable. This should reduce levels of out-commuting and build the resilience of the key towns in both areas. Additionally, focusing on 'good work' opportunities for females will help to level up and address the inequality we see above.

The strategy for driving a higher level of wages and skills is by building on the economic potential of each settlement. In Rutland this is around developing the distinctively high store of older people in the population as a key clinical trial and test base for the development of medi-tech and the wider development of digital skills and social enterprise.

Medi-tech

Engagement with medi-tech companies identifies that a heavy concentration of people with relevant conditions (in this case older age and frailty) combined with a whole health system commitment to working with researchers, from primary all the way through to acute settings, is the key to unlocking their developmental investment. Furthermore our plans to provide a clinical trials base with the key core components required, in terms of lab and light assembly space, means that the costs of setting up and managing clinical trials and the development of associated medi-tech will be significantly reduced for participating businesses. It will also create training opportunities for local people interested in this sector. This will replicate in terms of health the successful learning factory model operated at Holbeach in Lincolnshire (National Centre for Food Manufacturing) in relation to food which is cited as an example of good practice by the Gatsby Foundation.¹⁷

We intend to use medi-tech as an anchor for the wider development of the digital sector in the area on the basis that creating an anchor for people with medically relevant digital skills will teem out into wider digital activity created by the growing critical mass of people with digital skills in the area. The establishment of a similar effect centred around Cirencester through the "Rock the Cotswolds" initiative provides a highly relevant exemplar of what can be achieved.¹⁸ The very significant economic potency of the digital sector is set out in the Tech Nation Report 2021¹⁹

In terms of work with all categories of worker to address social mobility, health sector innovation, with a planned networking base in the proposed health hub, can also be extended to the creation of social enterprises linked to the provision of adult domiciliary care, through the creation of micro-enterprises. This involves building on the

¹⁷ <https://www.gatsby.org.uk/uploads/education/the-opportunities-for-learning-factories-in-the-uk.pdf>

¹⁸ <https://www.rockthecotswolds.com/about/>

¹⁹ <https://technation.io/report2021/#forewords>

successful adult social care model already operating in Rutland to identify individuals who wish to become independent carers supporting people in their own communities. This creates jobs, reduces travel time to support care clients and makes small communities more resilient by building local care networks at the micro level. Evidence from Somerset where the system has been substantively developed by Community Catalysts demonstrates that it makes communities more resilient and enables people to live at home for longer.²⁰ A comprehensive approach to the provision of personal care budgets and an availability of people able to self fund care are both important components of this approach.

Rounding off the workforce and skills benefits associated with the use of health to drive up economic outcomes, the establishment of a CPD base at the hub for clinicians, will follow the model of the Cavell Centre concept (based on the Centre in Peterborough²¹) in creating a concentration of critical mass driving health economic outcomes in one concentrated facility.

Transport/Connectivity

Connectivity is also a significant challenge in rural and market town settings and the development of Mobi-hub generating enhanced travel and mobility options within the levelling up strategy for the two settlements provides real potential to consolidate the impact of the innovation agglomeration strategy. It will also enhance wider access to services for individuals across both areas.

The Mobi-hub concept is very effectively set out in the 2019 study: “The Future of Rural Mobility Study (FoRMS): Gary Bosworth, Charles Fox, Liz Price & Martin Collison, University of Lincoln.

“A local hub is a public space which is designed to accommodate multiple local level activities, and to connect to the other layers of a hierarchical transport network (such a market town hub connecting direct to the nearest city and to direct to each of the villages around it). These hubs have the capacity to regenerate village and market towns as general hubs with enhanced transport connectivity following strict hierarchical transport networks, both for people and goods. A hub at the edge of a market town would provide a transport link directly into the market town.

Making the hubs useful and pleasant places to be by including a café, basic health provision, Wi-Fi and information points makes waiting for transport a productive experience. A good example of the concept can be seen in Belgium with the Mobihub model (Mobihub.eu) which is designed to catalyse other forms of social and economic activity within villages and help to breathe life and customers into struggling rural services. Integrating goods delivery facilities can also reduce the rapidly increasing door-to-door delivery services provide hubs for the design of innovative last-mile vehicles to deliver both people and goods to and from the transport interchange.”

There is a cross cutting social enterprise theme (which is complementary to the adult social care opportunity described in the health section above) arising from the potential

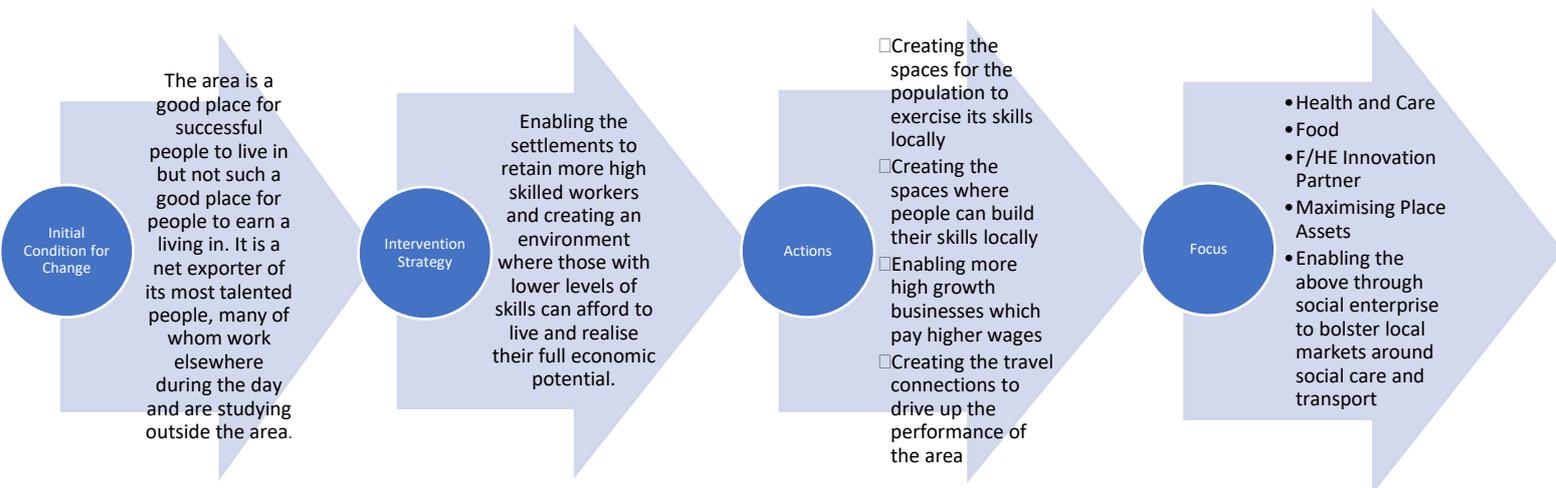
²⁰ <https://www.communitycatalysts.co.uk/wp-content/uploads/2020/05/Community-micro-enterprise2.pdf>

²¹ <https://www.nhs.uk/Services/clinics/Overview/DefaultView.aspx?id=101012>

to develop the service offering at the Mobi-hub by using it as the operational base for a community transport approach, building on current activities in the two areas. This would help to address the current market failure challenges which render commercial provision of a number of rural services financially challenging for operators

Theory of Change

A theory of change for the two settlements is set out below:



Turning to the Levelling Up agenda of bringing together skilled people, good infrastructure and pleasant social spaces to generate greater creativity, we believe the investments in these two innovation hubs will ripple out more widely into the Oakham and Melton driving more sustainable economic growth. This is also the logic of enabling the wider hinterland of both towns to benefit from the enhanced accessibility arising from the mobi-hub concept.

Key Background Documents which help underpin our logic further are:

- “Health on the High Street” – Michael Wood and Susie Finlayson: NSC Confederation and Power to Change 2020.
- “A High Street Renaissance” - Jonathan Todd and Jay Rowe, BOP Consulting for the Arts Council 2021.
- “Future of Rural Mobility” – Midlands Connect 2020.
- “Head Hand Heart: The Struggle for Dignity and Status in the 21st Century” – David Goodhart 2020.